

Cost base of Dexus Industria REIT securities for Australand Wholesale Property Fund 6 (AWPF6) investors who elected to retain securities

If you were an AWPF6 investor that elected to retain some or all of your securities, the establishment steps to create Dexus Industria REIT will mean that you are required to allocate your existing cost base of AWPF6 across each entity comprising Dexus Industria REIT. This is illustrated via the following steps:

Step 1 – Return of capital and subscription for new securities

AWPF6 investors that elected to retain some or all of their securities received a return of capital from Industria Trust No.1 (formerly Australand Wholesale Property Trust No.6 (AWPT6)) and Industria Trust No.2 (formerly Australand Wholesale Property Trust No.6A (AWPT6A)) which was then compulsorily applied to subscribe for new units in Industria Trust No.3 and Industria Trust No.4 and new shares in Industria Company No.1 Limited. This step is set out below:

Entity	Return of capital per AWPT6 Unit (\$ per security)	Return of capital per AWPT6A Unit (\$ per security)	Compulsory acquisition of Dexus Industria REIT securities (\$ per security)
Industria Trust No. 1	-0.2115541042		
Industria Trust No. 2		-0.0252390450	
Industria Trust No. 3			0.0517221358
Industria Trust No. 4			0.0498641917
Industria Company No. 1 Limited			0.1352068216
Total	-0.2115541042	-0.0252390450	0.2367931492

As a result of the above step you may have realised a capital gain on the formation of Dexus Industria REIT if the aggregate of the capital return made (refer above) exceeded the reduced tax cost base of your investment in AWPT6 and AWPT6A units. Your reduced tax cost base is determined as the acquisition price paid for AWPT6 and AWPT6A units, less any tax deferred distributions or capital returns previously paid. We recommend that you contact your accountant or taxation adviser on this matter.

Step 2 – Subdivision of Units in the Trusts and Shares in Industria Company No.1 Limited

Following the completion of Step 1 above, a number of unit and share subdivision and consolidation steps occurred such that AWPF6 investors ultimately received 0.4915835539 units (rounded up) in Dexus Industria REIT for every AWPF6 security an investor elected to retain. As an example, if you elected to 'roll over' 10,000 AWPF6 securities you will have received 4,916 Dexus Industria REIT stapled securities.

As a result of the completion of the subdivision and consolidation steps described above, the resultant tax cost base will need to be reallocated proportionately across the revised number of units and shares in Dexus Industria REIT. This can be determined by dividing the tax cost base of each Trust or Company calculated after the completion of Step 1 by 0.4915835539.

Illustrative example

The above steps 1 and 2 are set out in the following illustrative example:

Assumptions	
Initial holding (stapled AWPF6 securities all converted to Dexus Industria REIT securities)	10,000
Dexus Industria REIT securities owned post conversion	4,916
Acquisition value (per stapled AWPF6 security)	\$1.0000

Tax Cost Base Assumptions		AWPT6	AWPT6A
Assumed relative NTA allocation on acquisition date	A	\$0.9000	\$0.1000
Assumed tax deferred distributions and returns of capital received	B	\$0.2037	\$0.0258
Assumed reduced tax cost base	C = A-B	\$0.6963	\$0.0742

Assumptions	Industria Trust No. 1	Industria Trust No. 2	Industria Trust No. 3	Industria Trust No. 4	Industria Company No. 1 Limited
Acquisition	\$0.9000	\$0.1000	-	-	-
Assumed tax deferred distributions received	(\$0.2037)	(\$0.0258)	-	-	-
	\$0.6963	\$0.0742	-	-	-
Step 1: Returns of Capital and subscription for new securities	(\$0.2116)	(\$0.0252)	\$0.0517	\$0.0499	\$0.1352
D	\$0.4848	\$0.0489	\$0.0517	\$0.0499	\$0.1352
Step 2: Unit and share subdivision / consolidation – division factor	E	0.4915835539	0.4915835539	0.4915835539	0.4915835539
F = D/E	\$0.9862	\$0.0995	\$0.1052	\$0.1014	\$0.2750